

Application Deadline

Your loan request can not be processed after the last day of classes for the semester(s) for which you have requested a loan. Applying early is recommended. Late applicants may not meet all of the eligibility criteria by the deadline.

In order for loan funds to be disbursed, your signed, completed promissory note must be received by the loan servicer within a designated time frame. For borrowers working with Great Lakes Higher Education Corporation, the promissory note must be received no later than 88 days after the last date of enrollment for the loan period.

Give Yourself Credit and Don't Default on Your Loan

Making your loan payments on time is one of the easiest ways to demonstrate a good credit history.

If loan payments are not made and the delinquency is not resolved, your loan will go into default. If your loan defaults:

- Your wages can be garnished.
- Your federal income tax refund can be withheld.
- The default will be reported to a National Credit Bureau and make it difficult for you to make major credit purchases such as a new car or home.
- You will be disqualified from receiving any additional federal financial aid, including PLUS loans.
- You may be denied professional licenses to practice an occupation.

If you experience difficulty in repaying your loan, you should contact your lender for advice and assistance including deferment and forbearance. Your lender can help you with options.

Owens Community College
Office of Financial Aid
P.O. Box 10,000
Toledo, Ohio 43699-1947
419/661-7343 or
1-800-GO-OWENS, Ext. 7343

or

Owens Community College
Office of Financial Aid
300 Davis St.
Findlay, Ohio 45840-3600
419/429-3540 or
1-800-FINDLAY, Ext. 3540

Owens Community College promotes equal opportunity regardless of age, color, disability, national origin, race, religion or sex.

2002-2003 PLUS Loan Information and Application

The PLUS Loan Program allows a parent to borrow funds for the educational costs of a dependent student which are not covered by other sources of financial aid. This is a credit-based loan and will require repayment. Please carefully review the following information before continuing with the application process.

Who Can Borrow?

A parent may be eligible to borrow if the *student* meets the following requirements...

- Is eligible to receive federal financial aid as described in the College Catalog.
- Is enrolled in a degree-seeking program or certain certificate programs.
- Has educational costs not covered by other types of financial aid, as certified by the Owens Financial Aid Office.
- Is enrolled and maintains at least 6 credit hours during the semester.
- Has shown ability to benefit by meeting **one** of the following academic requirements:
 - Has taken the COMPASS test at Owens and scored at least 25-pre-algebra, 62-reading, and 32-writing. Students with a high school diploma or GED must meet or exceed the scores in two of the three areas. Students without a high school diploma or GED must meet or exceed the scores in all three areas. *OR*
 - Has taken the ASSET test at Owens and scored at least 35-writing, 35-reading, and 33-numerical. Students with a high school diploma or GED must meet or exceed the scores in two of the three areas. Students without a high school diploma or GED must meet or exceed the scores in all three areas. *OR*
 - In addition to a high school diploma or GED, has taken the ACT and achieved a composite score of 16 or higher, or taken the SAT and obtained a combined verbal and math score of 650 or higher. *OR*
 - In addition to a high school diploma or GED, has successfully completed, at an accredited institution recognized by Owens Community College, 12 credit hours of developmental courses or 6 credit hours of non-developmental courses.
- Is making satisfactory academic progress according to the standards established by federal regulations and Owens Community College.
- Is not in default on any federal student loan with the Department of Education or another institution and does not owe a grant overpayment.

In addition, the *parent* borrower must meet the following requirements...

- Is a U.S. citizen, national, permanent resident or other eligible noncitizen.
- Is not in default on any federal student loan with the Department of Education or another institution and does not owe a grant overpayment.
- Does not have an adverse credit history. Credit guidelines are established by the lender in accordance with federal regulations.
- If a parent borrower has a previously borrowed Stafford or PLUS loan on which collection activity has ceased or which has been cancelled due to total and permanent disability, or if the federal government holds a judgment lien on the borrower's property, please check with the Financial Aid Office regarding eligibility issues.

Owens Community College 2002 - 2003 Academic Year

Individuals who may request the PLUS loan are...

- A parent: the student's biological or adoptive mother or father.
- A stepparent: the spouse of a parent who has remarried, if his/her income and assets must be reported on the student's FAFSA.

A legal guardian is not considered a parent for financial aid purposes and may not request a PLUS loan.

**Your
Success
Starts
Here!**

How Does the Process Work?

1. You submit the PLUS Loan Request Form.
2. The Financial Aid Office calculates loan eligibility based on federal and institutional guidelines. The information is transmitted to the guaranty agency, Great Lakes Higher Education Corporation.
3. An award letter is sent to the student once the loan is processed.
4. Great Lakes reviews your credit history and then mails a promissory note to you. If your loan is denied based on adverse credit, a letter will be sent to you.
5. Complete the borrower section of the promissory note and mail the completed promissory note back to Great Lakes.
6. Great Lakes processes the loan and sends the loan funds to the school.
7. If the student still meets eligibility requirements, Owens will apply the loan proceeds to the student's account (see "When Do I Receive the Money?"). Any amount remaining after tuition and fees have been paid will be disbursed by the Bursar's Office after class attendance has been confirmed by completing a *Student Attendance Confirmation Form*.

How Much Can a Parent Borrow?

A PLUS loan can only cover educational costs not met by other sources of financial aid. Loan eligibility is determined by the Financial Aid Office. Factors taken into account are the cost of attendance for the loan period requested and the total of any other financial aid awarded. **Conservative borrowing is strongly encouraged.**

When Do I Receive the Money?

It is a federal regulation that all loan funds are disbursed in a minimum of two disbursements. If you apply for a loan for two or more semesters, one disbursement will come for each semester. If you apply for a loan for only one semester, the loan will come to the College in two separate disbursements within the semester. The second disbursement will be issued after half of the semester has been completed.

Many lenders, including those listed on the Loan Request Form, can send your loans by electronic funds transfer (EFT). Funds sent by EFT automatically will be applied to the student's Owens account balance and any remaining proceeds will be issued to the student in a check from the Bursar's Office after attendance in class is verified.

If you do not authorize EFT, or choose a lender who does not send funds by electronic funds transfer, a check will be mailed to the College co-payable to the parent and Owens Community College. The parent must come to the Bursar's Office after the student's attendance is verified and sign the check over to the College so that it may be applied to the student's account. A refund of any remaining proceeds will be issued to the student by the Bursar's Office.

Allow approximately three business days for a refund check to be printed.

If you decide to cancel all or part of your loan, contact the Financial Aid Office.

What are the Costs of Getting a Loan?

To receive a PLUS loan, you must pay origination and guarantee fees. These fees are deducted from your loan before funds are sent to the school. The current rates are as follows:

Origination fee:	3%
Guarantee fee:	0% (for loans guaranteed by Great Lakes)

INTEREST RATE (as of July 1, 2001)*
PLUS
6.79% (capped at 9%)

**Rates are adjusted each July 1.*

What if the Student Stops Attending Class?

If the student does not complete all classes for which they are enrolled, federal regulations may require that we return a portion, or the full amount of your loan to your lender.

When Do I Start Repayment on the Loan?

Repayment of the principal and interest begins when the loan is fully disbursed. The first payment is generally due within 60 days. Contact your lender for more information.

Who's Who?

Lender

A student loan lender provides loan funds for the Federal Stafford and PLUS loan programs. Some lenders will service (handle correspondence) your loan while you are in school, while others will sell and transfer your loan to another "holder" (a secondary market).

Guaranty Agency

This organization administers the Federal Stafford and PLUS loan programs on behalf of the federal government. The guaranty agency most commonly used at Owens is Great Lakes Higher Education Corporation.

Great Lakes Customer Service	1-800-377-9095	www.glhhec.org
Sallie Mae Customer Service	1-888-272-5543	www.salliemae.org

Secondary Market

It is common practice for some lenders to sell loans to secondary markets. This is because lenders must continually replenish their lending funds. You always will be notified by mail if your loan is sold and you will be given a new address for future loan correspondence.